

## **RENEWABLE ADVANTAGES**

KPUD'S BPA contract allows for the use of renewable power in conjunction with its Priority Firm (PF) right. Non-renewable resources do not enjoy this right. For extremely large customers that use in excess of 9.9 aMW's, use of qualified renewable resources for the portion over that amount will entitle the customer to use the lowest cost PF power for the first 9.9 aMW's of load. For those extremely large customers that do not make use of this option all load is billed at the higher "New Resources Rate." This is a huge cost advantage, paying the lowest PF rate for the initial 9.9 aMW's.



In Washington, I 937 a renewable power initiative was on the November ballot and passed. Many utilities will be required to do what KPUD has done and acquire large blocks of renewable energy. KPUD has been at the forefront of renewable development and as such has a significant cost advantage with its resources. Many companies use renewable resources as a way to differentiate themselves and demonstrate a corporate sensitivity and positive action to sustaining a livable environment for the world we live in. KPUD wants to be your partner providing low cost environmentally beneficial energy for your needs.



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**PUBLIC UTILITY  
DISTRICT NO. 1 OF  
Klickitat COUNTY**

**OWNED BY THOSE IT SERVES**

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*Power Supply & Renewable  
Energy*





## **POWER SUPPLY**

KPUD is a preference customer of the Bonneville Power Administration (BPA). KPUD also owns the McNary Fishway Hydro project. We own and operate this project in conjunction with Northern Wasco PUD. This project provides KPUD 4.6 Average Megawatt's (aMW's) of Power that is put to load. In 2005 KPUD's total load was 315,760 MWh's or 36 aMW's.

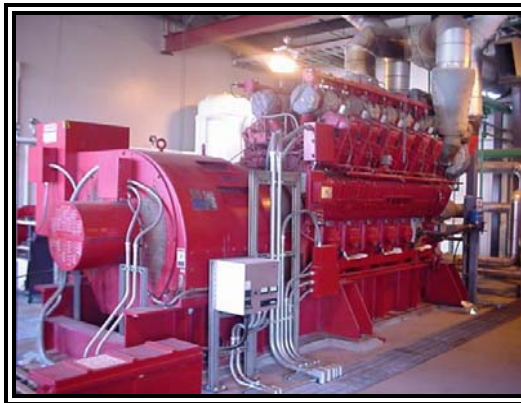
## **NEW CUSTOMERS**

KPUD's current contract with BPA guarantees access to BPA preference power for new customers. For extremely large customers the lowest cost power is only available for customers who keep their annual take to under 10 aMW. This can increase by no more than an additional 9.9 aMW over any 12 month period. For most customers, service is provided under KPUD's tariffs. For the largest customers specific bilateral contracts have been negotiated that accommodate the unique circumstances surrounding their individual and distinctive characteristics.

## **RENEWABLE RESOURCES**

### **Landfill Gas Power Plant**

KPUD is actively engaged in developing renewable resources within Klickitat County. Roosevelt Regional Landfill is the 4<sup>th</sup> largest permitted landfill in the United States, 120 million tons. It is situated in eastern Klickitat County. The landfill is very young, it started receiving waste in 1992. Approximately 25 million tons are in place today. KPUD installed a 10 MW landfill gas to energy facility in 1999. We are presently in the process of installing an additional 10 MW to be online in 2008. The ultimate build out for the landfill is expected to be between 40 and 60 MW. Landfill gas to energy is considered renewable. KPUD takes advantage of energy offset credits, those associated with the pollutants that are not generated due to the landfill displacing other generation that would be necessary but for the landfill.



Landfill generation is unique in that it provides a second environmental credit because of removing methane from the environment. Methane is a greenhouse gas 21 times more harmful than CO<sub>2</sub>.

### **Wind Power**



KPUD is also developing a 205 MW wind project in eastern Klickitat County. It is called the White Creek project. It is an excellent wind site and it will produce 610,572 MWh's each year. Ground breaking was September 11, 2006, the first turbine will arrive the 3<sup>rd</sup> week of June 2007 and Commercial operation will be in the Fall of 2007. KPUD is developing the project in conjunction with 3 other Washington utilities, Cowlitz PUD, Lakeview Light and Power and Tanner Electric Cooperative. KPUD's share of this project will be 26% or 17 aMW. There are opportunities for expansion if and when the utilities need for additional power develops.